

REFUNDS TO VETERANS OF THE WORLD WAR OF CERTAIN  
AMOUNTS PAID BY THEM UNDER FEDERAL IRRIGATION  
PROJECTS

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JANUARY 28, 1925.—Committed to the Committee of the Whole House on the  
state of the Union and ordered to be printed

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Mr. WINTER, from the Committee on Irrigation and Reclamation,  
submitted the following

REPORT

[To accompany S. 2397]

The Committee on Irrigation and Reclamation, to whom was referred the bill (S. 2397) entitled "A bill to provide for refunds to veterans of the World War of certain amounts paid by them under Federal irrigation projects," having considered the same, report thereon with a recommendation that it do pass without amendment.

The bill provides for repayment to veterans of the World War of the payments made by them or for their account on construction charges, interest, and penalties on such charges. It does not provide for the repayment of the maintenance or overhead charges or the cost of any improvements made by them on the reclamation units on which they filed. The bill provides automatically for the relinquishment of all the veteran's rights and the land thereupon reverts to the Government and will be open to entry by others. The Government therefore can suffer no loss. The measure is limited to entries made after April 6, 1917, and applications for its benefits must be made within one year after the passage of this act. The total number of filings since April 6, 1917, by World War veterans is approximately 250, and there has been paid in all, construction charges, interest, and penalties, approximately \$60,000.

However, the bill does not provide for the repayment in all cases, but authorizes the Secretary of the Interior to investigate the facts, and in his discretion to pay such refund. It covers, subject to the discretion of the Secretary, all cases of entries by World War veterans who no longer retain such entry because of cancellation by or relinquishment to the United States, or who, prior to receipt of final certificate, within one year after the date of the passage of this act, decides to relinquish such entry.

If the veteran has died, who if living could have availed himself of the benefits of this act, such benefits shall be available to his estate, by and through applications from executor or administrator. In any case where this act is applied and the benefits received, the Secretary is authorized to cancel any application for permanent water rights for the farm unit held by such veteran and to terminate all rights and liabilities of such veteran or his estate with respect to such application.

The letter of the Secretary of the Interior, dated March 15, 1924, approving this legislation is as follows:

DEPARTMENT OF THE INTERIOR,  
Washington, March 15, 1924.

HON. CHARLES L. McNARY,  
*Chairman Committee on Irrigation and Reclamation,*  
*United States Senate.*

MY DEAR SENATOR McNARY: I have your letter of February 12, transmitting for report copy of S. 2397, entitled "A bill to provide for refunds to veterans of the World War of certain amounts paid by them under Federal irrigation projects."

The bill proposes that any veteran of the World War who has made entry of a farm unit upon any Federal irrigation project, which entry has been or may be canceled or relinquished after April 1, 1917, shall be entitled to a refund of the amount paid by him to the United States as construction charges and interest and penalties thereon.

Since the passage of the act of February 14, 1920 (41 Stat. 434), veterans of the World War have had a preference right of entry when lands were opened in Federal irrigation projects. This right, which ran for two years under the act of February 14, 1920, was by the act of January 21, 1922 (42 Stat. 358), extended for a period of 10 years from the passage of the former act.

Under this legislation about 250 ex-service men have made entry for farm units on Federal irrigation projects and have paid initial installments of construction charges aggregating about \$60,000.

The bill as drawn also applies to those who entered farm units on our projects before the World War and afterwards became veterans. We have no means of estimating the amount of payments heretofore made by this class.

There seems to be an inconsistency between the law which gives a preference right of entry to a veteran and the bill before us, which directs the return of money paid by him under such entry. The former treats the opportunity to take up Government land on a Federal irrigation project as a valuable privilege, while the latter suggests the contrary.

We would recommend two principal changes in the general plan of the bill.

The first change is a limitation of the application of the bill to entries made after April 6, 1917, or, in other words, within the World War period. This may be done by changing in section 2, lines 9 and 10 the words "prior to the date of passage of this act," to read, "since April 6, 1917," and by deleting in section 2, line 14, the words and figures, "after April 1, 1817."

The second change is to authorize the return of moneys paid only in the discretion of the Secretary of the Interior. This may be done by substituting at page 3, line 2, for the words, "and directed," the words, "to investigate the facts and in his discretion," and by deleting the words "entitled thereto" at page 3, line 3. Also, it would be advisable to add at the end of line 3 on page 3, the words "or any part of the."

There probably are cases where it would be just and equitable to release a veteran from the contract he has made with the Government, and return to him the money he had paid on construction charges, and it would be appropriate to give the Secretary of the Interior the authority in his discretion to take such action after proper investigation. We feel, however, that to go further than this would be unbusinesslike and unwarranted.

At page 3, line 6, the word "suit" is evidently a misprint for the word "unit."

At page 3, section 3, paragraph (b), it is provided that a veteran upon accepting the benefits of the act shall relinquish his rights in the farm unit. This requires the making of an additional paper, which can be avoided by inserting in line 14, in place of the word "relinquish" the words, "be deemed thereby to have relinquished."

The purpose of section 6 of the bill may be met by eliminating that section entirely and adding at the end of paragraph (b) of section 2 the following sentence: "Every such refund so approved by the Secretary of the Interior shall be paid from the appropriation for the project on which the entry in question was made."

The foregoing was submitted to the Bureau of the Budget, and, under date of March 5, 1924, the director advised that the proposed report is not in conflict with the financial program of the President.

Very truly yours,

HUBERT WORK.

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RECEIVED BY THE UNITED STATES DEPARTMENT OF AGRICULTURE

The following information was received from the Bureau of Plant Industry, United States Department of Agriculture, on the 10th day of June, 1914, in answer to a letter from the Bureau of Plant Industry, United States Department of Agriculture, dated June 10, 1914, and in answer to a letter from the Bureau of Plant Industry, United States Department of Agriculture, dated June 10, 1914.

Very respectfully,  
[Signature]

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